RBI direction to State Financial Corporation

3673. DR. JINENDRA KUMAR JAIN:

SHRI RAM JETHMALANI:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that State Financial Corporations, set up for granting loans for Industrial Development in the country, have been directed by Reserve Bank of India to strengthen their financial position;

(b) if so, whether it is also a fact that out of 18 corporations set up at present the financial position of only 10 State Financial Corporations is up to the mark;

(c) if so, whether it is a fact that certain suggestions have also been received for taking appropriate action for strengthening the financial position of these Corporations;

(d) if so, what are the details thereof; and

(e) what is the number of those financial corporations where top positions are either vacant or occupied by those who are holding these positions for more than last 3 years?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d) Recently, Industrial Development Bank of India (IDBI) has reviewed the financial position of State Financial Corporations (SFCs). Out of the 18 SFCs, there are 8 SFCs with capital adequacy of less than 4%. While the performance of SFCs in terms of assistance sanctioned and disbursed has registered an improvement their performance in the area of recoveries has been found inadequate. Lower recovery of interest and principal and low or negative plough-back has resulted in large reliance of SFCs on borrowed funds, thereby reducing their profitability.

Government, IDBI and SIDBI review at various forums the working of State Financial Institutions and take measures to improve their performance. SFCs take various steps for improving their performance like restructuring of management, recapitalisation norms in the business operations, upgrading the accounting policies and standards, reorganising the resources pattern etc.

(e) The top position of all SFCs have been filled up. There is, however, no SFC where the top position is held by the concerned executive for more than three years.

Chelliah Committee suggestion to Levy Tax on Service Sector

3674. SHRI BISHAMBHAR NATH PANDE: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Chelliah Committee suggested for levy of tax on all service sector as has been done in other countries, and

(b) if so, whether Government have taken any decision on imposing Tax on all services?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) Yes, Sir.

(b) Government have set up a Group under Fiscal Adviser (Shri Raja J. Chelliah) and two other groups under Secretary (Revenue) to process the various recommendations of Tax Reform Committee and advise the Govt. on the feasibility of implementation, implications of revenue gain or loss, impact on domestic industrial production and other aspects.

Non-Implementation of Promotion Rules in RRBs

3675. SHRI MOHAMMED AMIN: Will the Minister of FINANCE be pleased to state:

(a) whether there is a recruitment-cum-promotion rule 1988 for the Regional Rural Banks, framed by the Government of

India, which provide for field supervisors and senior clerk-cum-cashier;

(b) whether, despite, this NABARD has directed by its letter dated 8th April, '93 to the Chairman of RRBs not to follow the rules for promotion from Junior Clerk to Sr. Clerk and from Junior clerk/Sr. clerk to field Supervisor; and

(c) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND THE MINISTER OF STATE IN THE MINISTRY of PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) Yes, Sir.

(b) and (c) Pursuant to acceptance of the award of the National Industrial Tribunal (NIT) and the recommendations of Equation Committee granting pay scales of sponsor banks and other benefits to employees of Regional Rural Banks (RRBs) with effect from 1-9-1987, the post of Field Supervisor has since been abolished. The posts of Junior clerks and Senior Clerks-cum-Cashier have also been merged and equated with the corresponding clerical post of the sponsoring public sector bank. In the background of these changes and pending amendment to the RRBs (Appointment and promotion of Officers and other employees) Rules, 1988, National Bank for Agriculture and Rural Development (NABARD) vide its circular dated 8th April, 1993, inter-alia, advised all the sponsor banks that no promotion can be effected for clerical to officer cadre. Since the post of Field Supervisor has been abolished, the question of promotion to this post does not arise.

मूल्यवृद्धि के कारण मुद्रास्फीति की दर में वृद्धि

3676. **डा० जिनेन्द्र कुमार जैन :**
श्री राम जेठमलानी :

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि :

(क) क्या सरकार का ध्यान दिनांक 12 मई, 1993 के "हिन्दुस्तान टाइम्स" में "एडमिनिस्टर्ड प्राइस लीड टू वन थर्ड ऑफ इनफ्लेशन राइज" शीर्षक से प्रकाशित समाचार की ओर दिलाया गया है;

(ख) यदि हां, तो क्या यह सच है कि पिछले वित्तीय वर्ष, 1992-93 में सरकार द्वारा संचालित व्यवस्थाओं के अधीन उत्पादित वस्तुओं की कीमतों में खाद्य वस्तुओं और अन्य मानव निर्मित वस्तुओं की कीमतों की तुलना में अधिक वृद्धि हुई है ;

(ग) यदि हां, तो उस पर सरकार की क्या प्रतिक्रिया है ;

(घ) क्या सरकार ने इस्पात, कोयला, पैट्रोलियम, सीमेंट और विद्युत उत्पादन जैसे मूल उद्योगों के उत्पादों में मूल्य वृद्धि को अनुशासित करने के लिए कोई स्पष्ट निदेश जारी किये हैं जिससे कि यह सुनिश्चित हो सके की वर्तमान 1993-94 के वर्ष में देश में मुद्रा-स्फीति की दर निर्धारित लक्ष्य से अधिक न हो;

और

(ङ) यदि हां, तो उसका ब्यौरा क्या है।

वित्त मंत्रालय में राज्य मंत्री और संसदीय कार्य मंत्रालय में राज्य मंत्री (डा० अबरार अहमद) : (क) जी हां।

(ख) वर्ष के दौरान समूहों के मध्य सापेक्ष वृद्धि नीचे दर्शायी गई है :

	भारांश	31-7-93 के अनुसार थोक मूल्य में प्रतिशत वार्षिक वृद्धि
प्राथमिक वस्तुएं	32.30	1.83
ईंधन, विद्युत, बिजली और स्नेहक	10.66	18.78
विनिर्मित उत्पाद	57.04	6.00
सभी वस्तुएं	100.00	5.83